

4<sup>th</sup> Annual

Alumni Program

# BENCHMARKING REPORT

December 2017

## Table of Contents

Executive Summary.....	3
Introduction .....	5
Survey Demographics and Participation .....	5
Alumni Program Age, Size and Growth.....	7
Alumni Program Business Drivers .....	9
Team and Resources .....	11
Alumni Program Online Platforms .....	12
Alumni Data.....	13
Alumni Engagement and Success Metrics .....	16
Alumni Benefits .....	18
Main Challenges for Alumni Programs .....	20
Alumni Program Goals for 2018.....	21
Conclusion .....	22

## Executive Summary

In the *2017 Alumni Program Benchmarking Report*, we collected and analyzed four years' worth of surveys of Alumni Programs across the globe, ranging in size, industry and age. Companies that do not have formalized programs report the need to better engage alumni, especially when competitors are managing successful Alumni Programs. This year, we observed the continuation of a few trends and the emergence of some new ones:

- The Professional Services sector continues widespread adoption of Alumni Programs, especially among the top global 100 law firms; however, interestingly several new sectors launched alumni initiatives this year including retail, food and beverages, healthcare, and energy.
- An increasing number of Alumni Programs have exceeded 10 years of operation reaching a heightened level of maturity and stability; while new programs continue to represent the largest percentage of respondents.
- Alumni Program teams and budgets have all but stabilized in a relatively strong global economy, with a mere 5% of respondents reporting a budget cut over the past year.
- Brand advocacy reigns as the top business driver for four consecutive years, but most programs (79%) still don't measure and track it over time.
- In response to a fast-changing workplace and growing member interest, more Alumni Programs offer continuing education as a benefit.
- Heightened focus on the importance of key alumni data, yet often this data is not current, and almost half of the Alumni Programs never ask alumni for updates.
- Over half of the Alumni Programs now include *current employees*, further embedding the program in the company culture and making the ultimate transition from employee to alumni member easier.

Today more than ever, maintaining lifelong relationships with your former employees has become the new normal, and for some sectors – the *expected*.

## 2017 Alumni Benchmarking Survey Highlights by Category

<p><b>Survey Demographics and Participation</b></p> <ul style="list-style-type: none"> <li>• 42% increase in respondents</li> <li>• Continued growth in new and existing Alumni Programs</li> <li>• Professional Services, led by law firms, dominate the field with 53% of participants</li> </ul>	<p><b>Alumni Program Age, Size and Growth</b></p> <p>Alumni Programs started in the last two years represent the largest share of respondents, which appropriately reflects the market:</p> <ul style="list-style-type: none"> <li>• 2016 – 47%</li> <li>• 2017 – 33%</li> </ul>
<p><b>Alumni Program Business Drivers</b></p> <p>Alumni directors continue to rank brand advocacy as the leading business driver:</p> <ul style="list-style-type: none"> <li>• 36% rank it as the number one business driver</li> <li>• 86% rank it as a top three business driver</li> </ul>	<p><b>Team and Resources</b></p> <p>In 2017, Alumni Program teams fared the best as compared to prior years with 95% receiving stable or increased budgets to promote increased alumni engagement and deliver greater returns.</p>
<p><b>Alumni Program Online Platforms</b></p> <ul style="list-style-type: none"> <li>• 95%+ of respondents use an online program to facilitate content management and engagement.</li> <li>• In-house and third-party solutions are used to access alumni data</li> <li>• Free solutions (mostly LinkedIn and Facebook) were cited as having only limited data</li> </ul>	<p><b>Alumni Data – New in 2017</b></p> <ul style="list-style-type: none"> <li>• More than 50% rated alumni data (email address, current employer and location) as extremely important</li> <li>• Most rated current alumni data as average to low quality</li> <li>• Almost 50% do not proactively ask alumni for profile updates</li> </ul>
<p><b>Alumni Engagement and Success Metrics</b></p> <ul style="list-style-type: none"> <li>• More programs use value-creating metrics to track success, such as alumni rehires, revenue generation, and Net Promoter Score®</li> <li>• An alarming 79% do not measure alumni brand advocacy, the #1 business driver</li> </ul>	<p><b>Alumni Benefits</b></p> <ul style="list-style-type: none"> <li>• More Alumni Programs report offering members continuing education</li> <li>• Promotes a “boomerang” effect for the company through alumni rehires</li> </ul>
<p><b>Main Challenges for Alumni Programs</b></p> <p>Alumni Directors ranked their top three challenges:</p> <ul style="list-style-type: none"> <li>• 50%+ cite alumni engagement, building program awareness and getting current alumni data</li> <li>• 56% have started to address these challenges by including current employees in their programs</li> </ul>	<p><b>Alumni Program Goals for 2018</b></p> <p>Top Alumni Program priorities identified for 2018:</p> <ul style="list-style-type: none"> <li>• Alumni engagement</li> <li>• Member growth</li> </ul>

## Introduction

The *2017 Alumni Program Benchmarking Report* is meant to aid organizations that are beginning to think about starting an Alumni Program, as well as established programs that want to continue building value. We hope this year's report sparks thoughtful questions and action in the Corporate Alumni Program space over the course of 2018. This year's survey included some additional questions specifically around the importance and use of alumni data, which we cover in a new section this year beginning on page 13.

## Survey Demographics and Participation

We invited organizations with Alumni Programs to complete our survey during September and October of 2017. Our response rate was up 42% compared to 2016, and comprised of a mix of perspectives from clients and non-clients, representing a broad spectrum of industry sectors and company sizes. Our results are based on responses from more than 60 organizations responding to 25 questions regarding the makeup of their Alumni Programs. The results include successes and challenges, as well as the goals for the upcoming year.

**Geography.** Our respondents reflect Alumni Programs in North America, Europe, Asia Pacific and the Middle East. The percentage of global Alumni Programs remains at 60%, consistent with 2016. The remaining non-global Alumni Programs have chosen to focus on North America alumni in most cases. About one-third of the companies represented only have operations in a single country, so a global Alumni Program wouldn't make sense. One trend we're seeing with successful global programs involves an overarching all-inclusive, English-based community, with segmented country groups where content is targeted and localized for each specific country or region. Alumni receive event invitations, newsletters and articles relevant to their country, but they also have access to the entire alumni community. This model works best when an organization can assign country group managers (full-time or part-time depending on the size of the country group) or alumni ambassadors who live in the appropriate countries. On the other hand, we've seen many global programs successfully run with one engaged and passionate Alumni Director.

**Industries.** In 2017, we have broken out Professional Services into three sub-sectors to provide more clarity; namely, Legal (28%), Consulting (18%) and Accounting (7%). Collectively, these three groups represent 53% of the respondents. Given the relatively high adoption rates of Alumni Programs among Professional Services firms

compared to Fortune 1000 companies, where only 8% have formal programs, we think this is appropriately reflective of the market as it stands today.

Financial Services (12%), Technology (12%) and Non-Profit (5%) continue to be in line with prior years' participation (see Figure 1). Other (18%) spans a diverse range of sectors including retail, food, beverages, healthcare and oil and

gas companies, as well as some respondents who prefer to remain anonymous. This year, we see a much broader representation of organizations instituting formal Alumni Programs, suggesting that company leaders have begun to recognize the cultural significance in maintaining lifelong relationships with people and the brand-building power of alumni.

Figure 1: Industries

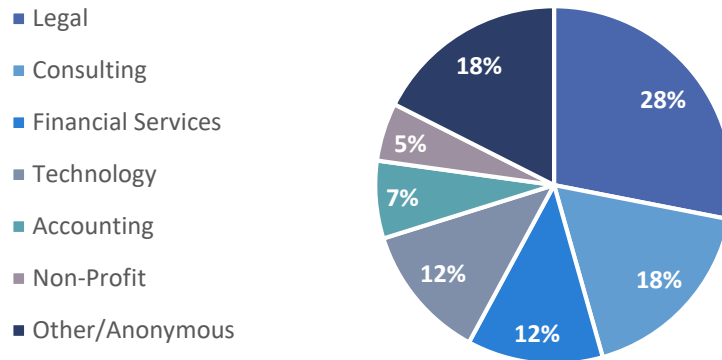
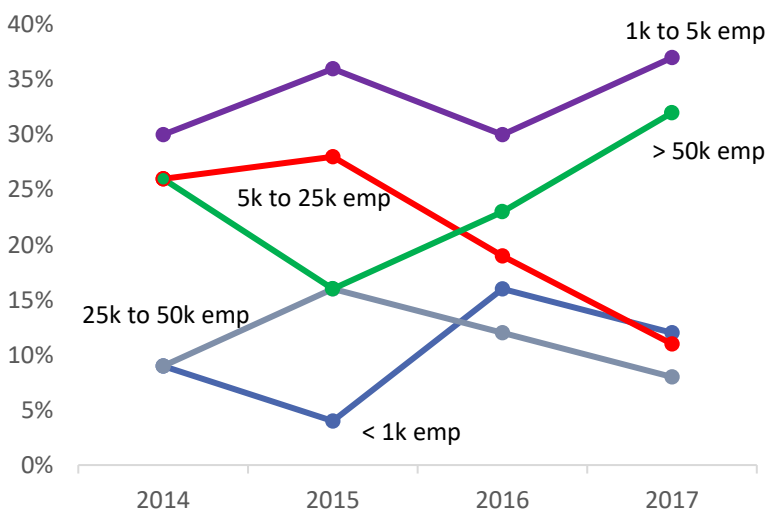


Figure 2: Company Size - Four Year Trend



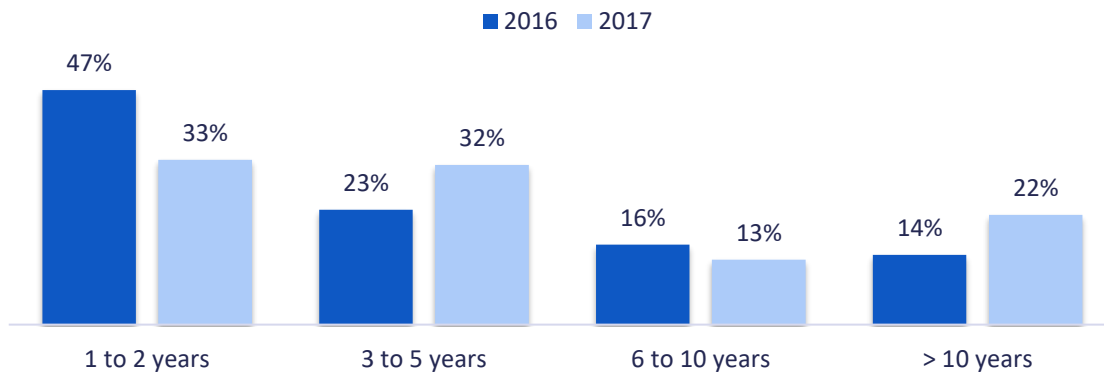
**Company size.** Similar to our previous reports, the respondents encompass companies of all sizes, ranging from less than 1,000 employees to over 100,000. Our 4-year trend line shows that Alumni Programs continue to grow the most within companies between 1,000 and 5,000 employees (see Figure 2). This makes sense, given the influx of law firms in that range that we've seen launch and grow Alumni Programs over the last 12 months. Large organizations (>50,000 employees)

have seen the most growth in Alumni Programs over past three years. We expect both of these trends to continue.

## Alumni Program Age, Size and Growth

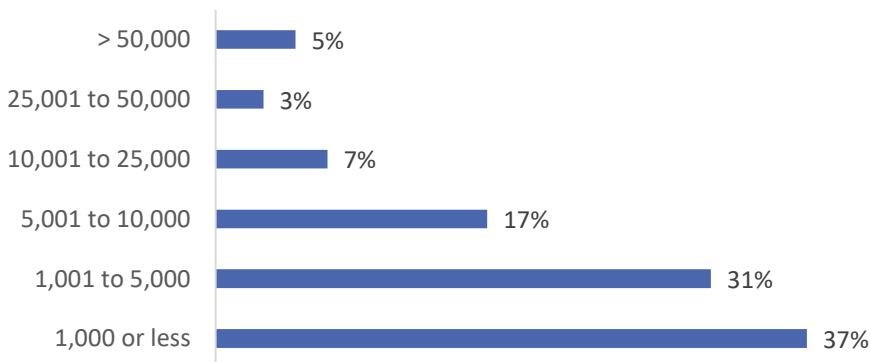
In 2017, we are starting to see the maturation of more Alumni Programs with 22% over 10 years old, compared to 14% in 2016 (see Figure 3). This suggests that Alumni Programs are a long-term strategic initiative delivering value to the organization and its people, not a pilot program or quick fix.

Figure 3: Age of Alumni Program - 2016 vs. 2017



On the other end of the spectrum, newly established Alumni Programs, i.e., started within the last 2 years, make up the largest component at 33% of the survey sample. While this is down from 47% in 2016, it is still indicative of increased adoption rates, especially when compared to 20% in 2015 and 13% in 2014. A portion of the 47% from last year likely moved into the 3-5 years bucket for 2017, which increased 9% over last year.

Figure 4: Total Number of Registered Alumni



Despite the increasing program maturity of our survey respondents, it is evident that most of them manage smaller Alumni Programs. Consistent with the prior year, 68% have 5,000 or fewer registered alumni (see Figure 4). While most of these are small to medium-sized organizations (22 out of 40), the rest are large companies that have newer programs or have purposefully kept the

program small to focus on specific groups (e.g., executives or diversity) or geographies. This would suggest that the rationale behind launching Alumni Programs may depend less on the size of company or alumni base and more on the ways in which keeping in touch with former employees can align best with organizational goals.

Usually, the average number of new joiners each year and the overall size of an Alumni Program has a direct relationship with the size of the organization sponsoring the program. Smaller companies will have fewer new joiners annually and total registered alumni, and larger companies will have comparatively more. As a rule, we use a company's attrition rate and total employees to approximate the expected number of new joiners and total registered alumni respectively. In 2017, 70% of the respondents fell into this relatively predictable pattern between company size, new joiners and total registered alumni (see green percentages in Figures 5 & 6).

**Figure 5: New Joiners per Year by Company Size (percentage of respondents)**

New Joiners/Year	Company Size (# of employees)						Total
	< 1,000	1,001 to 5,000	5,001 to 10,000	10,001 to 25,000	25,001 to 50,000	> 50,000	
1 to 100	8%	15%	2%	-	-	7%	31%
101 to 500	3%	20%	5%	2%	2%	11%	43%
501 to 1,000	-	2%	-	2%	2%	5%	10%
1,001 to 10,000	-	-	2%	-	5%	5%	11%
> 10,000	-	-	-	-	-	5%	5%

The remaining 30% were outliers (see red percentages in Figures 5 & 6), where the company size greatly exceeded the expected number of new joiners and overall size of the Alumni Program. In some cases, there is a reasonable explanation for this aberration, e.g., it is a newly launched Alumni Program, or the program is more narrowly focused on a specific group(s) or geography. In other situations, it is an indication of poor integration of the Alumni Program in the exit process, or insufficient management of the program.

**Figure 6: Size of Alumni Program by Company Size (percentage of respondents)**

Size of Alumni Program (# registered alumni)	Company Size (# of employees)						Total
	< 1,000	1,001 to 5,000	5,001 to 10,000	10,001 to 25,000	25,001 to 50,000	> 50,000	
1,000 or less	8%	18%	2%	-	-	11%	39%
1,001 to 5,000	2%	11%	3%	2%	5%	7%	30%
5,001 to 10,000	-	7%	2%	-	2%	7%	16%
10,001 to 25,000	2%	-	2%	2%	-	2%	7%
25,001 to 50,000	-	-	-	-	2%	2%	3%
> 50,000	-	-	-	-	-	5%	5%

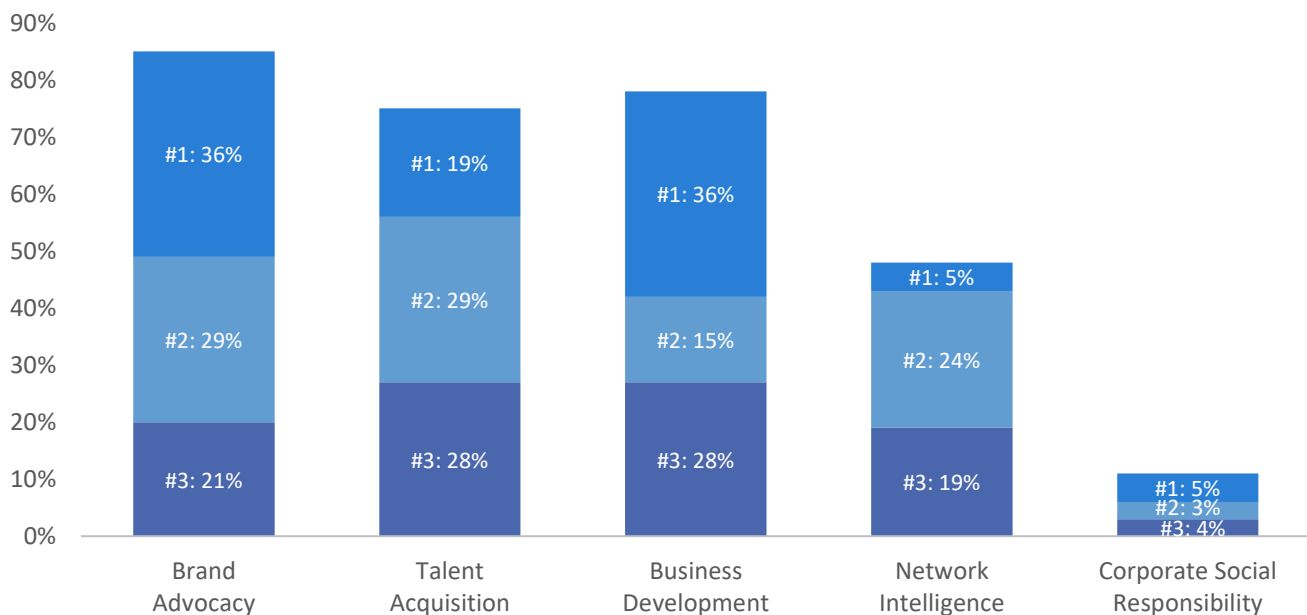


## Alumni Program Business Drivers

As in past years, brand advocacy emerged as the top business driver with 86% rating it as one of their top three (see Figure 7), compared to 87% in 2016. Companies continue to use an Alumni Program as a primary means to cultivate brand ambassadors among their former employees. Alumni can have a very positive or negative impact on a company's employer and corporate brands. For example, on Glassdoor (a reasonable proxy for measuring employer brand) alumni surprisingly comprise one-third to one-half of the reviews posted for a given company, and consistently rate the company lower than current employees on most, if not all, the metrics. However, when examining companies with formal Alumni Programs, the alumni ratings are regularly higher, in some cases by 20% or more, as compared to companies without an Alumni Program.

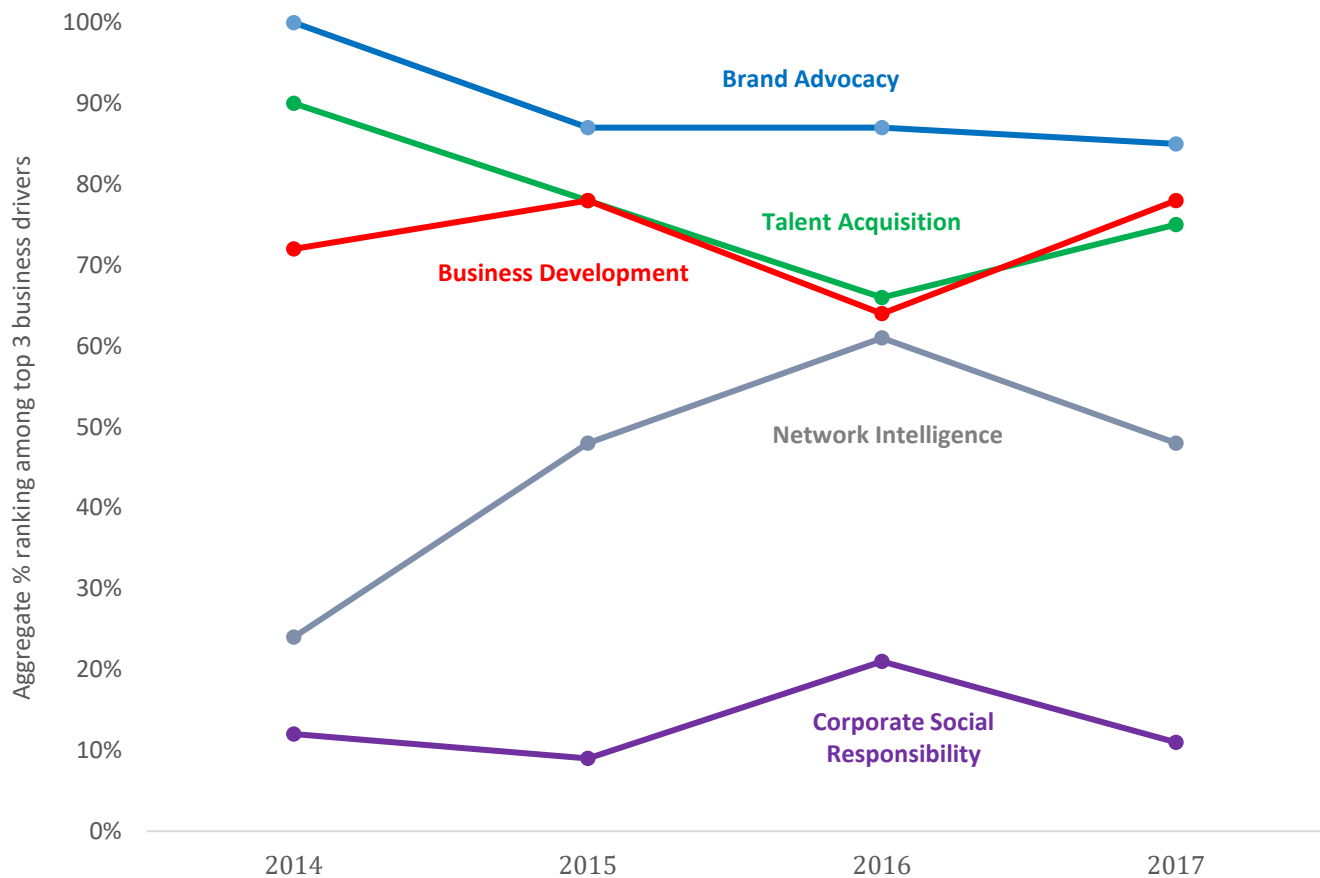
Business development surged from 63% of respondents ranking it in their top three in 2016 to 79% this year, overtaking talent acquisition for the second spot among business drivers. With law firms making up a much larger percentage of respondents (28%) than prior years, this result makes sense considering their focus on business development opportunities with their alumni at current and potential clients. By keeping updated information on where alumni work, and tracking top business deals quarterly or annually, they can successfully tie alumni involvement in deals that bring revenue to the firm. Companies outside the Legal and Professional Services sectors have also succeeded in generating top line revenue through business development from their Alumni Programs' members.

Figure 7: Top Three Ranked Business Drivers



The aggregate ranking of top business drivers from 2014 to 2017 illustrates that although brand advocacy remains the top business driver year-over-year, business development and talent acquisition had relatively significant increases from their prior year rankings. This highlights the impact of a strong economy by the desire to tap alumni for new business and fill open positions with alumni rehires and referrals (see Figure 8). Somewhat surprisingly, after two straight years of large increases, network intelligence dropped from 61% ranking it in their top 3 to 48% in 2017.

Figure 8: Aggregate Ranking of Business Drivers  
Four Year Trend

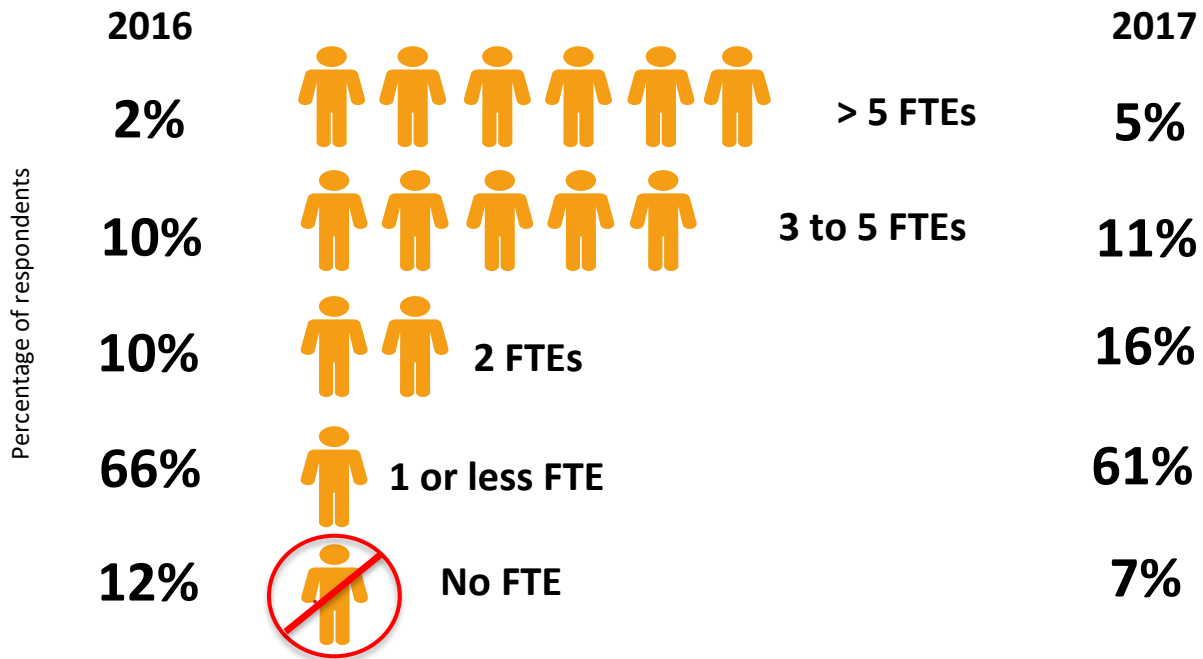


Although corporate social responsibility ranks much lower with only seven respondents listing it as one of their top three business drivers, three of the seven ranked it as number one. These companies use their Alumni Programs as an extension in furthering the organization’s philanthropic mission and goals. We expect corporate social responsibility will continue to trend upwards as a top business driver in future years, as companies are increasingly looking to set themselves apart as organizations that give back and want to have a positive impact on the world around them.

## Team and Resources

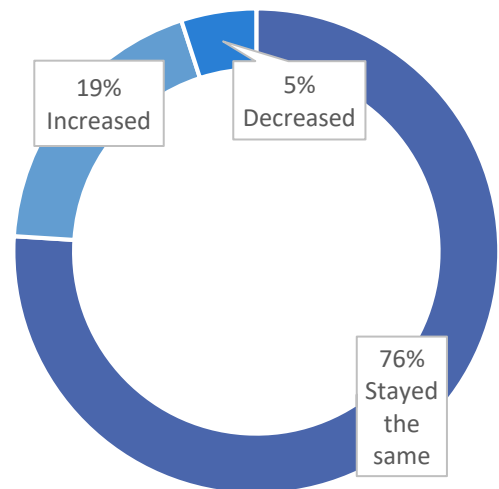
Committing organizational resources towards an Alumni Program has historically been challenging, however 2017's data shows growing stability, both in companies committing more time to their Alumni Programs and increasing the funds supporting it.

Figure 9: Current Size of Team (FTEs) 2016 vs 2017



This year, we saw a sizeable decrease in the Alumni Programs that reported no one assigned to manage them from 12% in 2016 to 7% in 2017 (see Figure 9). Notably, companies that have 2 or more full-time employees allocated to the programs increased from 22% to 32%. Likewise, budgets for 2017 Alumni Programs followed a similar trajectory. In 2016, 21% of Alumni Directors experienced budget cuts, compared to only 5% of respondents in 2017 (see Figure 10). In addition, budgets increased with 19% of Alumni Directors this year, compared to only 14% in 2016. Increased or stable budgets enable programs to strategically engage their members through high quality, consistent outreach and benefits delivering value to their organizations.

Figure 10: 2017 Alumni Budget

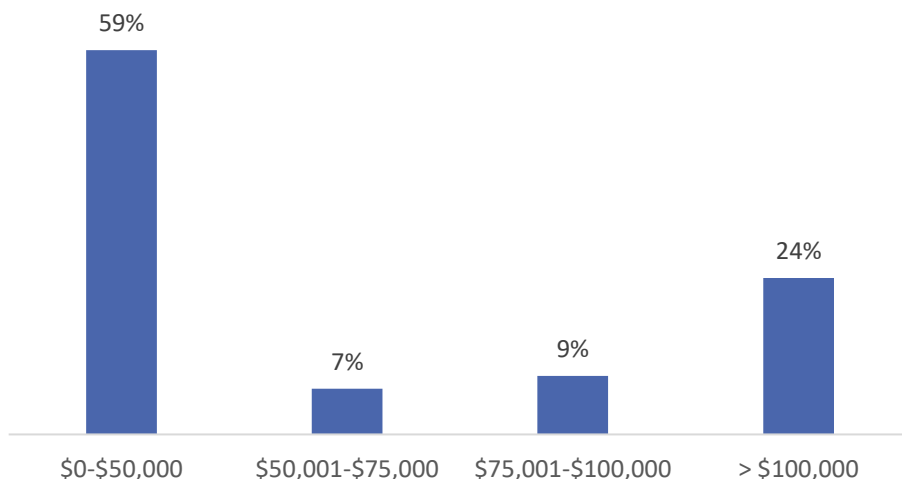


Incremental budgets excluding personnel costs have also grown. In 2016, programs with incremental budgets more than \$100,000 decreased to 17%. In 2017, we see a surge back up to 24% (see Figure 11). These results point to increasing executive buy-in at some of the companies.

It is worth noting that most programs (59%) have incremental budgets under \$50,000 and yet still find creative, cost-effective ways to engage alumni and deliver value from the program. We see a trend this year in programs whose Benefits section have expanded to offer company-provided resources. This might include thought leadership pieces, white papers, multimedia with webcasts and videos, as well as continuing education especially from law firms' programs. Often, Alumni Directors piggyback on existing corporate offerings to employees and extend them to alumni at minimal or no additional cost.

Proving value remains a challenge for many newer Alumni Programs who have high expectations and a moderate budget, which is why defining success metrics and developing a scorecard to track progress and value-add is crucial to any successful initiative.

**Figure 11: 2017 Incremental Budget (excludes FTEs)**



## Alumni Program Online Platforms

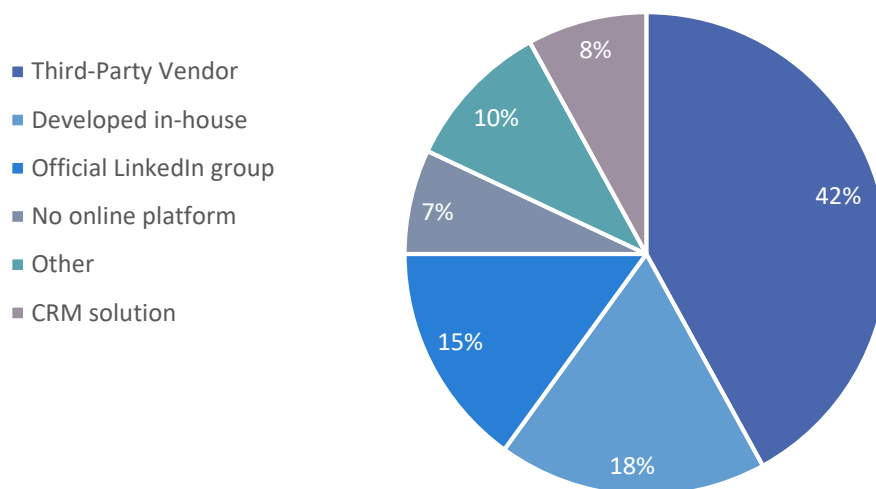
Alumni Programs utilize technology in a myriad of ways, with organizations choosing platforms based on budget, resources, goals and requirements. While using a third-party vendor solution was still the most common response by a wide margin, it did decrease from 49% last year to 42% this year (see Figure 12). In past years, usage of a CRM solution was sufficiently infrequent enough that it was included in the Other category; however, in 2017 it warranted calling out separately at 10% of the respondents. LinkedIn Alumni Groups remained consistent at 15% compared to 16% in 2016. Respondents who selected Other mentioned a variety of social media channels and blogs as their main alumni technology.

## Alumni Data

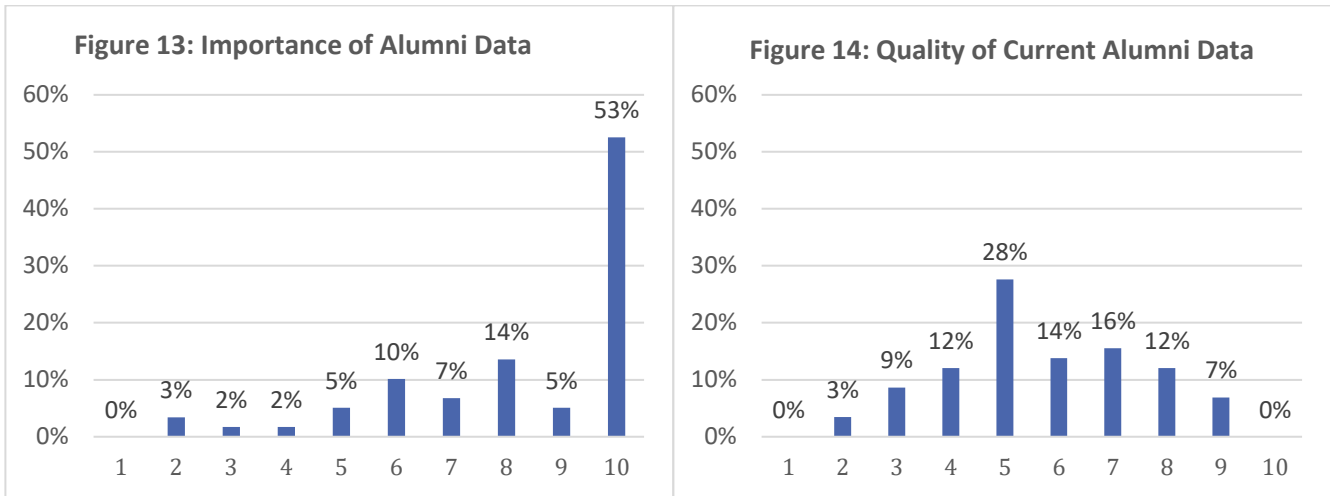
There are two data types of interest when working with Alumni Programs – the data from alumni *engaging with* specific offerings of the program (page views, events, job postings, polls, etc.) and the data from the alumni *themselves* (contact info, work history, education, etc.). For clarity, we call the former “engagement data” and the latter “alumni data;” collectively we refer to them as “Alumni Program data.” When managing an Alumni Program, having access to or ownership of both types of data is critically important to everything from tracking progress against metrics to obtaining value from the program and support from leadership.

This year we asked a series of new questions focused on alumni data, with the goal of shedding light on its importance, quality, relevance, and accuracy. For starters, in 2017 only 68% own this data, which included programs that use third-party vendors, CRMs and in-house solutions.

**Figure 12: 2017 Usage of Online Platforms for Alumni Programs**



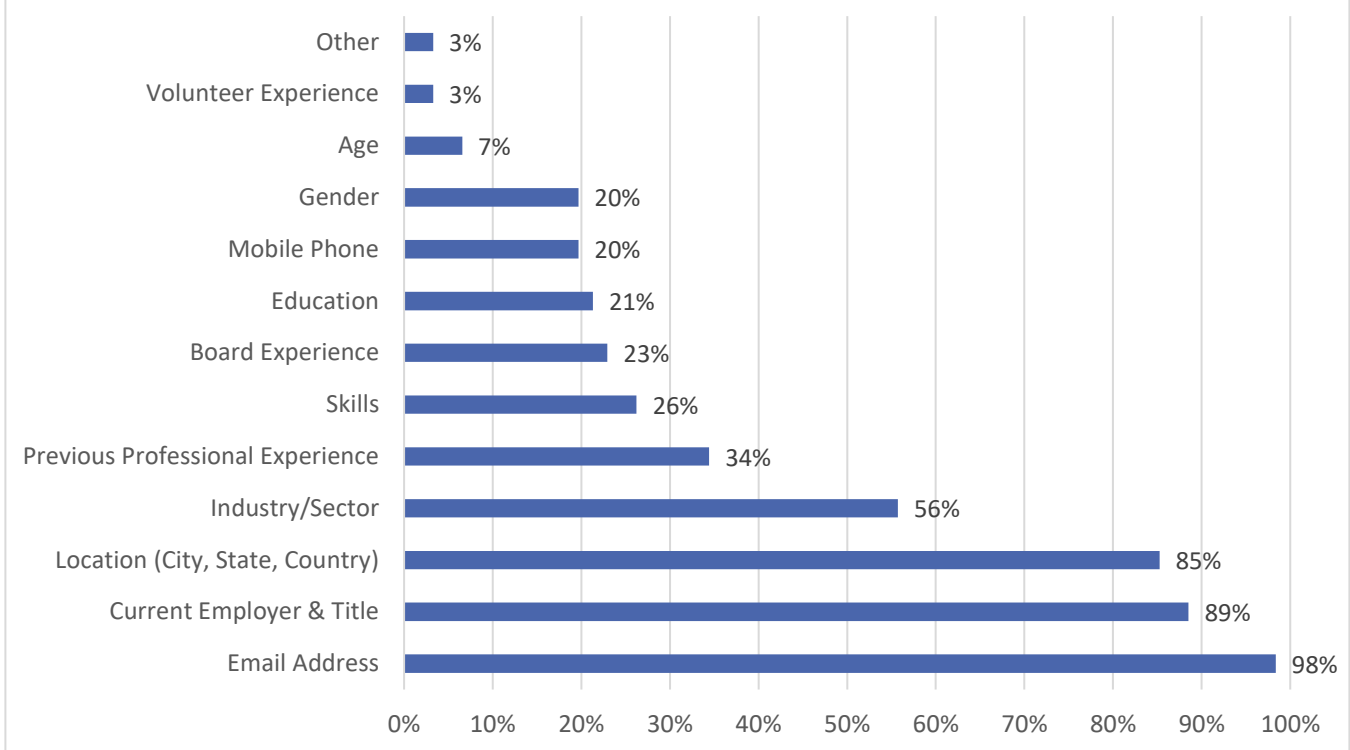
When asked to rate the importance of alumni data on a scale of 1 (not important) to 10 (extremely important), most Alumni Directors (72%) rated it very important or higher with a rating of 8 to 10 (see Figure 13). However, when asked about the current quality of the alumni data, over half (52%) felt it was very low to moderate quality with a rating of 2 to 5 (see Figure 14). This dichotomy of the high importance of alumni data but low-quality points to the need for a greater emphasis on collecting and updating this critical data on a regular basis.



The ownership of alumni data is more important than ever, and having effective ways to prioritize and segment the data according to members’ interests and the program’s goals is paramount. One way to begin this process is to determine the key data you need and then examine the data you have readily available. This will identify the gaps that exist, so you can begin to strategize on how to obtain the missing data.

Respondents ranked different kinds of alumni profile data based on what they considered to be “must-have” information. Email address ranks number one at 98%, followed closely behind by current employer and title at 89% and location (city, state and country) at 85% (see Figure 15). Based on the Alumni Directors in our survey and our experience, these three elements of alumni data are essential to collect and keep up to date for any Alumni Program. The importance of the other items listed in Figure 15 below, such as industry, skills, education, etc., is dependent on the goals and metrics of the specific program. Because priorities can change over time, we recommend collecting and updating the alumni data if it’s available and relatively easy to do. The Other category (3%) included wanting to know what alumni were working on, a personal project they were passionate about, as well as their preferred method to engage with the Alumni Program.

**Figure 15: Alumni Data (percentage of respondents ranking as "must-have")**



As stated above, the vast majority of respondents believe alumni data is very important to their programs, especially certain key pieces of information. But how often are programs asking alumni to update their key profile data? While 52% ask alumni for updates periodically (21% once per year and 31% every six months), the remaining 48% do not ask at all.

*48% of Alumni Programs do not proactively ask alumni to update their profile data*

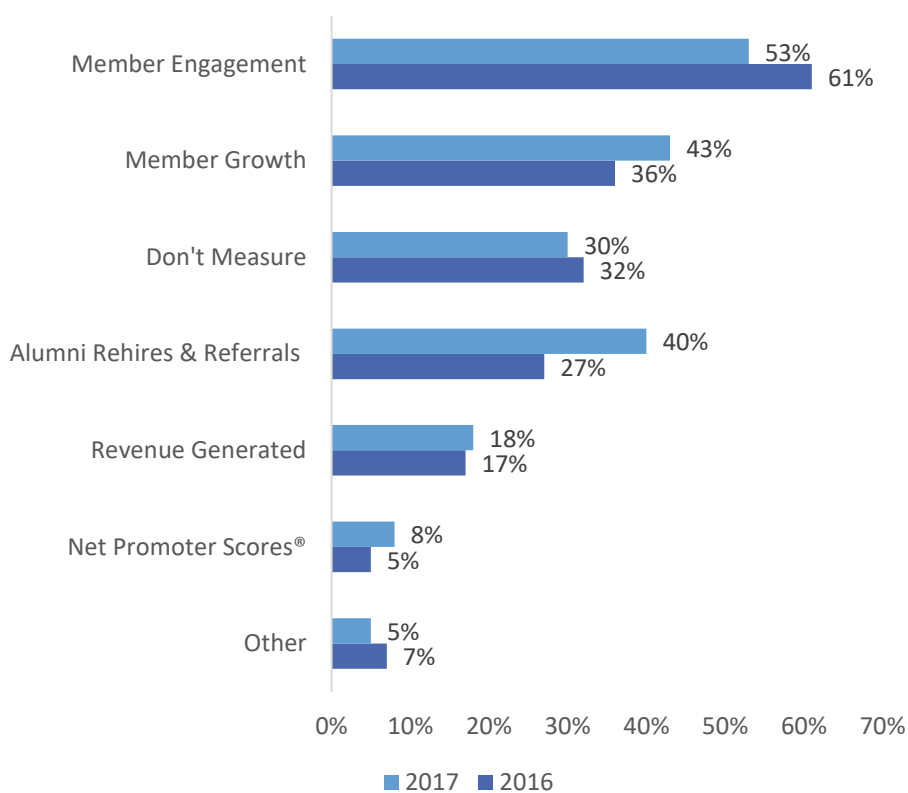
Resource constraints explain part of this since 12% of the programs don't have anyone assigned to manage them. There are likely other valid reasons; however, if programs have access to the alumni data through an in-house solution or a third-party vendor, Alumni Directors should attempt to improve their data quality by asking members to complete/update the important elements of their profiles. Current alumni data will facilitate the ability to generate value from the program and make strategic decisions.

There are a variety of effective methods of engaging alumni to fill out profile data including email campaigns, which provide step-by-step instructions, or contests, which offer an incentive to those who update their information within a specified timeline. Using an email-marketing tool enables the import of personalized fields such as name and current title/company, so you can target members in a very specific way (e.g., *Hi Emily, are you still a Marketing Manager at Nordstrom?*).

## Alumni Engagement and Success Metrics

As in previous years, we asked respondents to select their top methods for quantifying their Alumni Programs' return on investment (ROI). In 2016's report, we emphasized the importance of transactional engagement and the ways Alumni Directors can find more meaningful data to prove ROI. In 2017's survey, the results show that programs increasingly measure ROI using metrics that deliver value to their companies rather than the more simplistic member engagement approach, which was down by 8% from last year as a top quantifier for ROI (see Figure 16).

**Figure 16: Methods for Quantifying Alumni Program ROI (2016 vs 2017)**



All value-creating metrics were up in 2017, including alumni rehires and referrals by 13% and member growth by 7%. Net Promoter Score® or some type of brand measurement (Alumni Survey, etc.) and revenue generated increased by 3% and 1% respectively.

As Alumni Programs continue to mature, more are starting to realize engagement is less about social media (page traffic, likes, comments, clicks) and more about creating value through long-term relationships and interactions.

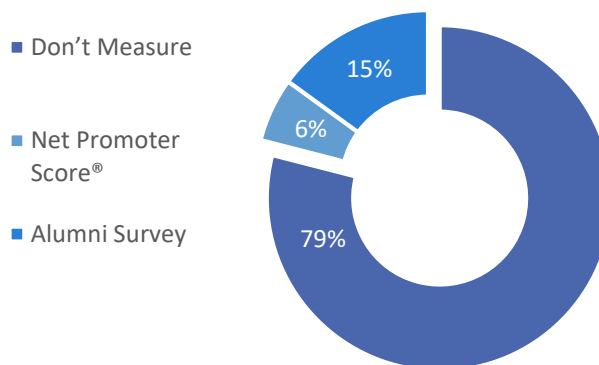
Examples of transactional engagement include:

- An alum applying to a job and getting rehired, or encouraging someone they know to apply for a position at your company
- Connecting with an alum as part of a high-profile deal to generate revenue for the business
- An alum connecting with former colleagues at a networking event or participating in an online continuing education program to acquire a new skill



While the percentage of Alumni Programs that don't measure ROI decreased from 32% last year to 30% in 2017, it remains stubbornly high. Some well-established Alumni Programs choose not to measure ROI because the program has become such an important part of their company culture; they simply don't see the need to calculate it. However, for most other programs, especially the newer ones, the establishment of a few key metrics to measure ROI will help tremendously in raising awareness and gaining support for the program, thereby ensuring its success and longevity.

**Figure 17: Measuring Brand Advocacy**



Since we started the Benchmarking Report in 2014, brand advocacy has been the perennial top business driver every year. It would seem to follow that most programs would have some means of measuring whether the alumni were in fact brand advocates and, if the program helped to increase their level of advocacy. Unfortunately, last year we discovered that 79% of respondents did not measure brand advocacy. This year, even with a substantially larger pool of respondents, the percentage that don't measure alumni brand sentiment remains the same at 79% (see Figure 17). Of the remaining programs that do track alumni brand advocacy, 15% use an alumni survey and 6% use the Net Promoter Score® methodology.

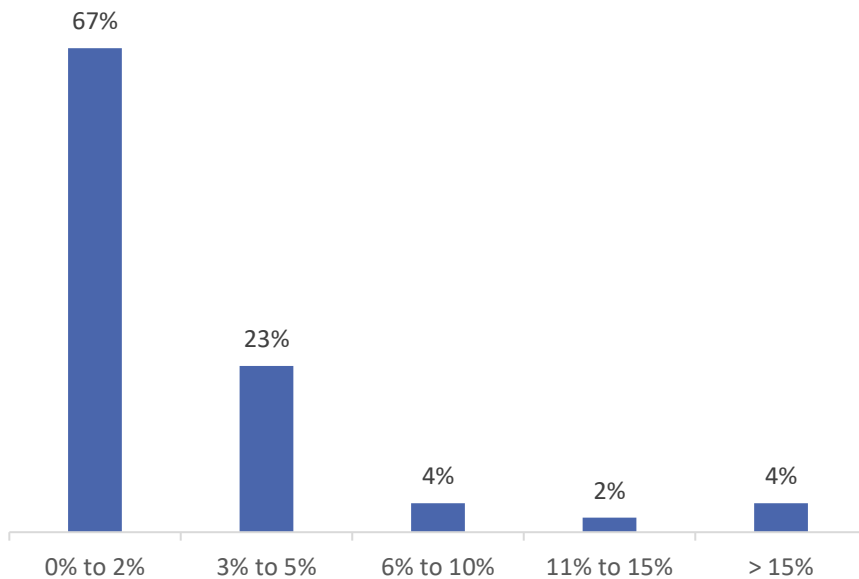
*In 2016 and 2017, 79% of Alumni Programs do not measure brand advocacy, despite it being the #1 ranked business driver*

We highly recommend Alumni Programs adopt some means of measuring this vital metric, even if it's the only metric you track. Our favorite choice happens to be the Net Promoter Score because it has been proven over decades to be a simple, yet highly reliable, method of measuring and monitoring brand sentiment. However, alumni surveys and Glassdoor analysis can also prove worthwhile. Having some means to determine how your alumni base feels

about your brand, and utilizing the Alumni Program to find and cultivate more brand advocates will be instrumental in delivering long-term sustainable value to your organization.

Rehires and referrals remain a top reason why many Alumni Programs are formed in the first place. The idea of recruiting back top talent, combined with quicker and cheaper ramp-up time and a familiarity with the company culture, makes talent acquisition a top business driver every year. In most cases, it is also the easiest and most

Figure 18: New Hires from Alumni Rehires & Referrals



effective means of proving ROI for an Alumni Program. Alumni can also serve as the second-best source in referrals, closely behind current employees. We've seen a number of organizations implement successful alumni referral programs, which they manage in conjunction with their Alumni Program.

As noted earlier, alumni rehires and referrals increased 13% as a business driver for Alumni Programs over 2016, but the

reported results in the number of new hires from programs hasn't changed much. Both last year and this year, 67% of Alumni Programs register between 0-2% of new hires through alumni rehires and referrals (see Figure 18). In a promising development, programs that are getting 11% or more from "boomerangs" or referrals doubled from 3% to 6% this year. This is consistent with our observations that Alumni Programs that focus on making this a top priority do see significant results, while the remaining majority considers it important, but perhaps have not devoted sufficient resources or defined requirements to quantify success.

## Alumni Benefits

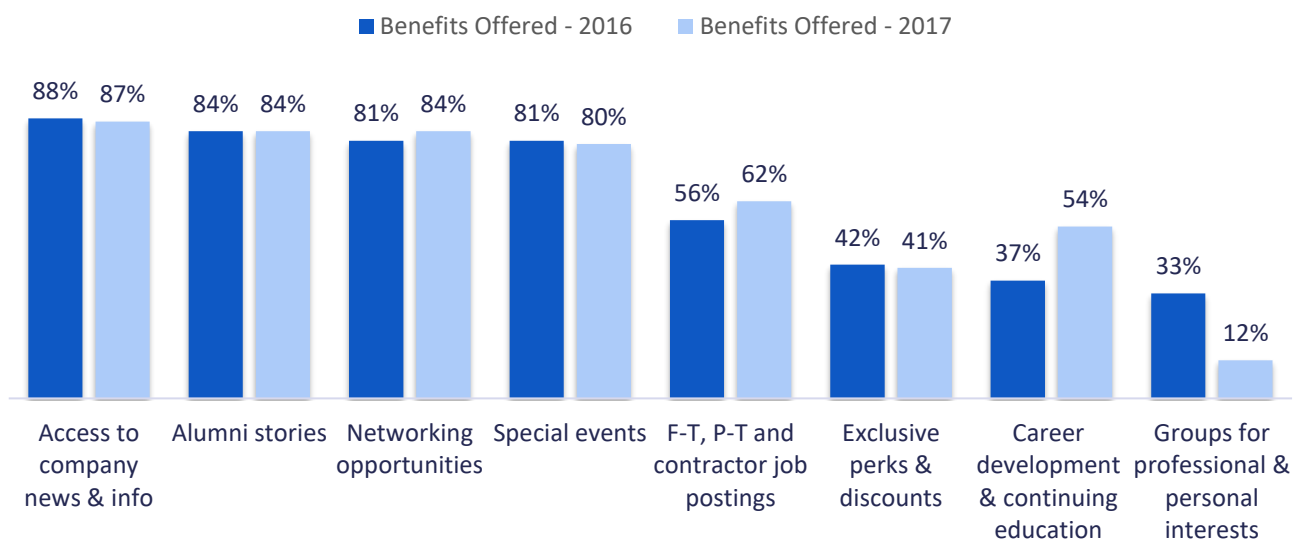
In 2016 we asked respondents what types of benefits they offered as part of their Alumni Program, followed by

*Alumni Programs, in particular law firms, are finding ways to offer continuing education creating opportunities for their alumni and themselves.*

which were most popular among the alumni. Recognizing that the popularity measure was based on the Alumni Director's perception and not the alumni themselves, we removed that question for our 2017 survey. We focused solely on the variety of benefits offered and what has changed over the past 12 months. We plan to address benefits popularity among alumni in a future benchmarking survey targeting alumni directly.

At first glance, benefits offered in Alumni Programs between 2016 and 2017 are reasonably consistent (see Figure 19) with the top four – company news, alumni stories, networking opportunities, and special events – all staying roughly the same at 80% or higher.

**Figure 19: Comparison of Benefits 2016 vs. 2017**

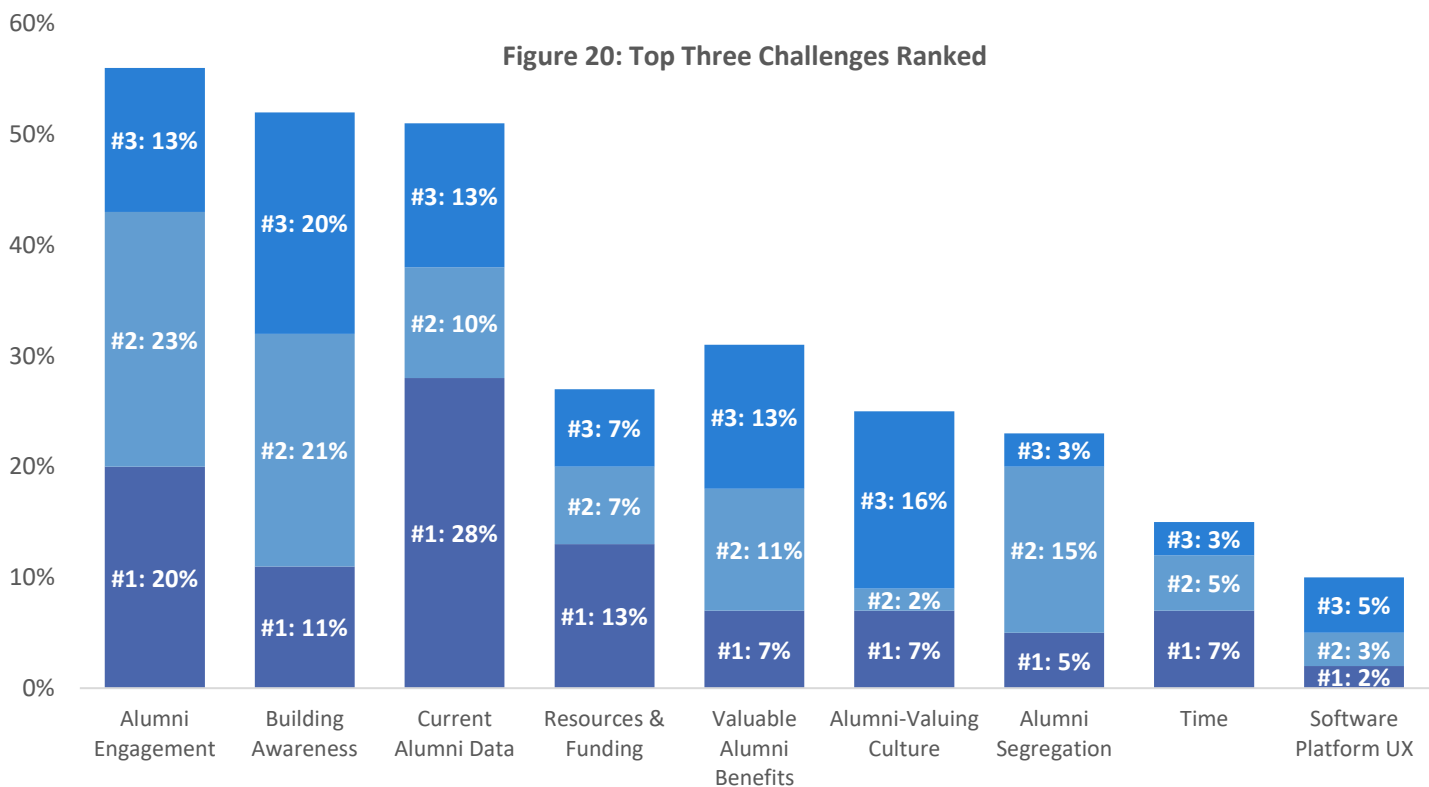


The most notable differences are:

- F-T, P-T and Contractor Job Postings:** This benefit is up 6% from 2016, and makes sense based on the increase in the Alumni Programs that list talent acquisition as one of their top three business drivers, combined with a strong global economy and competitive marketplace.
- Career development & continuing education:** This benefit has seen a significant uptick with a 17% jump over 2016. Although we've seen programs in all industries incorporate this benefit, it is heavily predominant in the legal sector in the form of Continuing Legal Education, or CLE. Given that law firms make up 28% of our respondents, this 17% increase makes sense. Independent research also suggests that continuing education is highly valued among corporate alumni, and it behooves the company to offer it (assuming it can do so at little or no cost) because a former employee with newly acquired skills or knowledge may be just what they need to fill a critical role.
- Groups for professional & personal interests:** Although this benefit appears to be down 21%, this may be due to the wording of the question, with the emphasis on interest-based groups only. We've seen an increase in groups being used for location segmentation purposes, based on city, country or region. For programs that have expanded globally, groups of this type provide a manageable way to post region-specific events, alumni spotlights or news articles.

## Main Challenges for Alumni Programs

In 2016, alumni engagement ranked as the top overall challenge by respondents with 54% listing it in the top 3, while building program awareness came in second at 50% and keeping alumni profiles up-to-date was third at 37%. These same challenges remained at the top in the 2017 results; however, there was a massive 16% drop (from 36% in 2016 to 20% in 2017) for those who ranked alumni engagement as their number one challenge. Interestingly, there was a corresponding increase of 14% (from 14% in 2016 to 28% in 2017) with respondents ranking current alumni data as their #1 challenge (see Figure 20). This points to a meaningful shift in the importance of the collection and utilization of data to promote effective engagement.

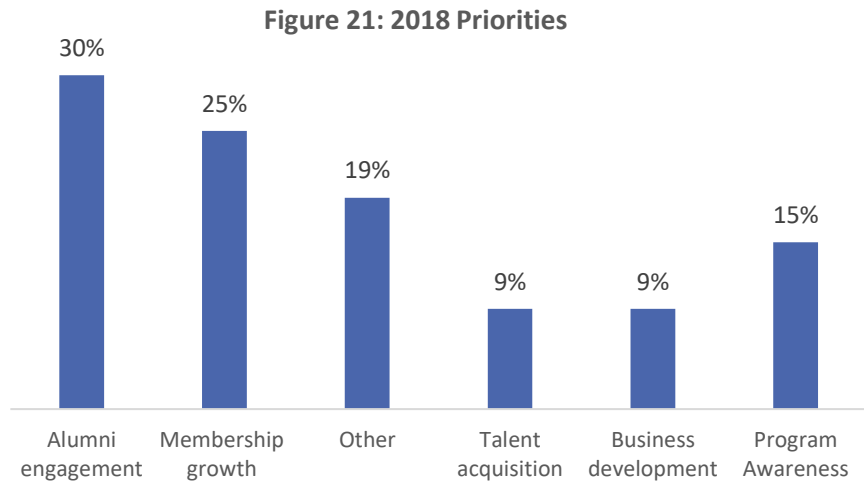


As notable, there was a decrease in the aggregate year-to-year percentages in what could be viewed as program obstacles; namely, Resources & Funding falling from 35% in 2016 to 27%, Alumni-Valuing Culture dropping from 30% in 2016 to 25%, and Time (the lack of it) reducing from 20% in 2016 to 15%, indicating that these are less of a concern to Alumni Directors in 2017. That's good news for current Alumni Programs as well as companies considering the launch of a new program because there seems to be growing support for maintaining long lasting relationships with former employees, and recognition of the benefits to the company and its culture.

## Alumni Program Goals for 2018

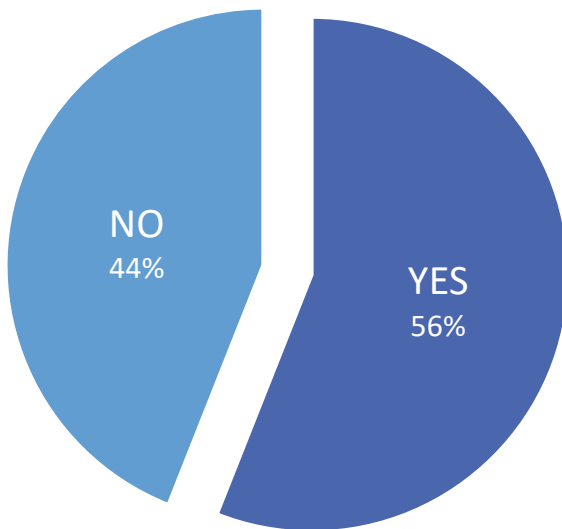
We asked participants to provide insight into their top priorities for 2018. This year we added an additional category, Program Awareness,

based on the large number of responses referencing this goal (see Figure 21). Outreach and awareness can be challenging for organizations regardless of whether they are just beginning to implement a program or have had one for years. We've seen a significant number of Alumni



Programs (56%) mitigate this challenge in 2017 by including current employees from the very beginning (see Figure 22). By inviting employees into the network, you ensure they are well versed in the benefits of the Alumni Program before they ever leave the organization. When they do depart, they are automatically turned over to alumni status, but because they are already a part of the program, there is no need to track them down through email or LinkedIn campaigns to get them to join.

**Figure 22: Employees included in Alumni Program (excluding Admins)**



Additionally, current employees benefit from access to former colleagues for business development, recruiting, mentoring and networking. The notion of a successful Alumni Program in 2017 points towards a more inclusive environment in which the concept of lifelong relationships with the organization are being lauded at every single touch point – from as soon as an employee joins the company to long after they have left.

## Conclusion

To job candidates and potential customers, alumni can serve as a “true north” barometer for a company and its brand because they have the freedom to be more objective than current employees. As a result, the primary business driver behind any Alumni Program should be the cultivation of alumni as strong brand advocates. However, listing brand advocacy as a business driver is not enough. All successful programs have something in common – clear delineated goals and metrics in place to track progress toward achieving these goals.

This goal-setting process requires access to alumni data. Although it may seem obvious to want to own and keep alumni data current, many programs do not proactively do this today. Alumni Directors must find ways to gather, update, analyze and report on the key data related to their programs. At the same time, Alumni Directors should not lose sight of the fact that data is just a tool. It's the people behind those numbers that matter most – building relationships and providing value back to the alumni. This is the only way to maintain the program over the long-term and deliver real value to the organization.

This past year has shown many positive trends that support the increased demand for Alumni Programs for organizations of all sizes and industries, as well as the willingness to devote sufficient resources towards making the programs meaningful and impactful. Workforce disruption continues to accelerate in a way that directly supports the notion of lifelong relationships with employees, during and after their time with the company. As baby boomers are retiring and millennials continue to look for new jobs every few years, well-managed Alumni Programs create and reinforce the connective tissue for these long-term relationships.

If you would like more information on this report or would like to provide feedback for future reports, please contact us at [info@conenza.com](mailto:info@conenza.com).